



MAKE IN INDIA INITIATIVE AND ITS IMPLICATIONS

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ABSTRACT

India's economy, which ranks tenth in the world in terms of nominal GDP, is among the fastest growing in the world. The government of India's "Made in India" initiative promotes investment, innovation, skill development, intellectual property protection, and the development of manufacturing infrastructure. On September 25, 2014, the Prime Minister of India, Narendra Modi, unveiled the "Made in India" campaign, an international marketing tactic designed to draw in foreign investment and establish India as a global hub for manufacturing. This "Made in India" campaign offers guidance to international investors, as well as timely assistance, pertinent information, and a proactive approach.

With this initiative, the Indian government hopes to make good use of its rapidly growing labor force, realizing that the service sector—which accounts for between 55 and 60 percent of GDP—cannot be the only engine driving the nation's economy.

The study's only data source is secondary. The data came from a variety of sources, including reputable websites, research articles, government publications from India's Ministry of Commerce, and various RBI bulletins. "Made in India" will have a significant impact on industries such as manufacturing, automotive, aerospace, biotechnology, defense, media, thermal power, oil, and gas, according to the study. As a result, we can conclude that, while "Made in India" arrived at the right time, its implementation still poses significant challenges

KEYWORDS: Make in India, Growth, Foreign Investors, GDP, International Marketing

INTRODUCTION

On September 25, 2014, the Government of India launched the "Made in India" campaign, which is a Swadeshi movement encompassing 25 economic sectors. The campaign's main goal is to encourage companies to manufacture their products in India and to invest heavily in manufacturing, with the ultimate goal of making India a global manufacturing hub. India is quickly becoming the preferred global manufacturing destination for the majority of investors. This strategy is a road map for addressing both global and local challenges by establishing a world-class manufacturing status and knowledge infrastructure that will generate additional knowledge required for global competitiveness.

The manufacturing sector in India is one that has a lot of potential. The goal of this initiative is to boost manufacturing's current 16% GDP contribution to 25% by 2025. Made in India has unveiled a number of innovative projects aimed at accelerating manufacturing growth, protecting intellectual property rights, and attracting foreign direct investment.

On the other hand, are the only three sectors where 100% Foreign Direct Investment (FDI) is permitted under current policy. Many business owners and entrepreneurs believe that the "Make in India" initiative will help our economy. The primary goal of this scheme is to concentrate on 25 industries.

The "Made in India" logo, which features a lion fashioned from gear wheels, symbolizes the crucial role that manufacturing plays in the government's vision and the advancement of the country. We hope this initiative is a huge success. To be on par with the developed world in terms of using modern technology, we need to focus more intently, clearly, and maturely on the quality aspects of our products.

The youthful population in India poses a dual advantage and risk. India needs to create millions of jobs annually in order to entice a significant portion of its youth unemployment population into the workforce. The Made in India campaign has been launched with great sincerity because the new government is cognizant of this fact. While the majority of western nations are rapidly aging, India will continue to be young for the foreseeable future.

NEED FOR THE STUDY

In order to maintain its position in the world economy and to keep up with the rising standards of living of its people, India must also improve its infrastructure. Developing the manufacturing sector of a nation is the most straightforward and crucial way for it to adapt to its surroundings. An increase in foreign and domestic investment will expand trade, spur economic expansion, improve infrastructure, and create jobs for the nation's workforce. Therefore, the topic of this study is Made in India: A Development Initiative.

RESEARCH METHODOLOGY

The information gathered from secondary sources is used in the study. The secondary data was gathered from a variety of sources, including government websites, research papers, journals, newspapers, literature reviews, and different Reserve Bank of India bulletins.

Make In India Initiative

Making India the most straightforward location for conducting business;

Doing away with paperwork, rules, and regulations;

Utilizing technology to advance;

Government departments are merging and integrating. Encouraging investment, promoting innovation, strengthening the development of skills, safeguarding intellectual property, and constructing world-class manufacturing infrastructure.

REVIEW OF LITERATURE

The article "A Study on the Impact of Made in India on HRM Practices - An overview" was written by K. Kalaivani in 2015. The study contributes to our understanding of how our nation's HRM practices are impacted by "made in India." The study also discusses how job opportunities and HRM practices complement one another. The study discovered a strong, meaningful, and positive correlation between make in India and HRM practices.

The article "Make in India - Scheme for Transforming India" was written by S. Soundharya in 2015. The paper talks about the Make in India initiative, including its advantages, disadvantages, necessary adjustments, and some examples of previous investors. According to the report, India is becoming a popular destination for foreign investment and a major hub for innovation and manufacturing thanks to the Made in India campaign.

Seema Sangwan wrote the article "Making Make in India Realism: The Role of FDI" in 2015. This study focuses on the growth caused by the rise in the FDI rate, as well as changes in the FDI rate following Modi's implementation of Made in India. The research discovered a strong link between FDI inflows and industrial output. According to Rishabh Bhatia's (2018) article, "Make in India: A Quantitative Approach," the government has been largely successful in establishing India as a hub for global manufacturing, not only through slogans and propaganda, but also through incremental changes made to every aspect of the economy.

IMPLICATIONS OF MAKE IN INDIA

Home appliance manufacturer Bosch and Siemens today announced the opening of their first manufacturing facility in India, with the goal of using the country as a hub for exports. The biggest exporter of consumer electronics from Japan is currently considering a move to India. It appears that the Made in India campaign arrived at the ideal moment. Numerous large international corporations have already indicated their interest in establishing production facilities in India. As part of its global expansion plans, India is being considered as a

potential location for chocolate maker Barry Callebaut, based in Switzerland, to capitalize on the country's 3,000 crore domestic market.

At the moment, Barry Callebaut only conducts business in the nation on a commercial basis. Beyond just creating jobs, manufacturing in India will have a significant economic impact. Jobs in related services and the services sector will be generated by it.

Major Achievements Under Make In India

According to the Economic Survey 2021–2022, the manufacturing sector is showing a trend of positive overall growth in gross value addition (GVA) despite disruptions related to COVID-19. In this sector, there were 62.4 million employed people overall in 2019–20.3, up from 57 million in 2017–18.

Driven by vaccines manufactured domestically, India became a major exporter of much-needed life-saving vaccines to numerous developing and underdeveloped nations worldwide, in addition to quickly attaining 100% vaccination coverage against COVID-19.

The Vande Bharat trains are a prime example of the success of the "Made in India" movement. They are the country's first domestic Semi High Speed train, with cutting-edge coaches and a completely new travel experience for passengers.

In FY 2021–2022, merchandise exports reached a record-breaking 420 billion USD.

India is becoming a well-known global center for the production of electronics and mobile phones.

Make In India Campaign Main Focus Areas

Automobiles	Electronic System	Ports and Shipping
Automobiles Components	Food Processing	Railways
Aviation	Entertainment	Road and Highways
Biotechnology	Leather	Renewable Energy
Chemicals	Media and Entertainment	Space
Construction	Mining	Textiles and Garments
Defence Manufacturing	Oil & Gas	Thermal Power
Electrical Machinery	Pharmaceuticals	Tourism and Hospitality
Wellness	Information Technology (IT) and Business Process Manufacturing (BPM)	

Impact on Indian Economy

This campaign will have an effect on both the domestic and global levels. The country's youth will have more work options as the manufacturing sector grows, which will also reduce poverty, draw in investments, add value to Indian goods, and address the growing trade imbalance. It will raise India's profile internationally and encourage investors to view the country as an opportunity rather than just a market. Therefore, the campaign's impact is also well known. If this is done religiously, India will become one of the world's leading nations. This facilitates the establishment of manufacturing bases by industries in India. Thus, this promotes job growth in India.

Industries frequently create an ecosystem of support around them, which helps small businesses. These industries contribute to our foreign exchange reserve through their exports. Above all, this kind of initiative helps educate the Indian populace with vital knowledge about production and manufacturing. With this initiative, Mr. Modi is essentially inviting wealthy and semi-affluent nations to come to India and invest in the country's future. It's similar to extending an invitation to other nations to establish businesses in India and engage in manufacturing within our borders. Currently, this initiative has a significant effect on our nation's economy. It goes without saying that the establishment of large corporate branches here will have an immediate impact on India's GDP.

India's economy is greatly impacted by the numerous foreign businesses investing in the Made in India initiative. It goes without saying that the establishment of large corporate branches here will have an immediate impact on India's GDP. The primary point is that the manufacturing sector is the focus, and the majority of Indians are middle-class or lower middle-class. Therefore, the upper class of society will be the only target market for the goods produced by international corporations.

Major Challenges of Make In India

India requires financial resources to develop its industries, which require infrastructure. This calls for more funding, which is a significant obstacle in and of itself. India's banking institutions are unable to provide large loans to businesses unless their balance sheets are cleared. Less money is invested in infrastructure if the government gives banks more money. India can begin manufacturing there, but they are unable to add more jobs because global manufacturing could be replaced by robots and they would still be able to compete.

India is lagging behind in providing workers with skill training. The main issues facing India's industrial landscape are the scarcity of facilities for vocational education and training. Large expenditures in research and development were necessary for industry to be long-term globally competitive, but Indian businesses have been sluggish to adopt this strategy. India needs to be prepared to address factors that negatively impact the manufacturing sector's competitiveness. India ought to be prepared to grant tax breaks to businesses that establish branches there. The Made in China and Made in India campaigns will be continuously contrasted. India needs to continuously improve its performance to surpass China's hegemony in the

manufacturing industry.

CONCLUSION

The GDP of the nation is ultimately all that matters to the people when discussing the effects that manufacturing in India has on the economy. That is, after all, the only thing that accurately characterizes the state of affairs in the nation. The more developed a country is, the higher its GDP. Furthermore, since Mr. Narendra Modi's campaign is focused primarily on manufacturing, it stands to reason that it will have a greater effect on the GDP. One of India's industries with the fastest growth is manufacturing. The Made in India initiative contributes to India's global recognition as a manufacturing hub and strengthens the country's economy.

In the upcoming years, India's position among the top 10 manufacturing nations in the world has improved by three spots, landing it at sixth. The plan to manufacture in India will stimulate the nation's electronic manufacturing sector. The significant investment in manufacturing will increase the nation's capacity creation.

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